

### 33.0.0 MAPP

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#### 33.1.0 Introduction

##### 33.1.1 MAPP

The Medicaid Purchase Plan (MAPP) is a subprogram of the Wisconsin Medicaid Program. It allows disabled people who are working or want to work to become or remain MA eligible, even if employed, since there are higher income limits.

#### 33.2.0 Application

Determine and certify eligibility for MAPP using CARES for benefit months beginning January 2002.

For months prior to January 2002, use CARES to determine if a client is eligible for a higher subprogram of MA. If not, use the manual worksheet process to determine and certify eligibility for MAPP and to establish a monthly premium (if applicable). If eligible for MAPP and premium assistance, certify manually for months prior to January 2002.

##### 33.2.1 Begin Month

Certify applicants for the MAPP retroactively for any or all, up to three prior months, if s/he met all of the eligibility criteria at that time. The client is responsible for any premium due for the previous months in which s/he elects coverage.

Clients can also choose to begin MAPP eligibility during any future month that can be processed in CARES.

**Example.** Jack applies for MAPP on September 30<sup>th</sup> and requests a retroactive determination of eligibility. His application is processed on October 21<sup>st</sup>. He meets all eligibility requirements as of June. Jack can choose to begin MAPP eligibility in June, July, August, September, October, November or December.

##### 33.2.2 Fiscal Test Group (FTG)

When both members of a married couple (living together) apply for MAPP, each person must be in a separate Assistance Group (AG). Enter them in CARES on the same application. The client's spouse is a countable member of the FTG. A separate financial test is done for each spouse's AG. The married couple is entered on the same case, but they are in two separate AGs.

If both members of a married couple (living apart) apply for MAPP, determine eligibility as two separate cases.

Include the client's spouse and test children in the FTG. Test children include the client's minor natural or adoptive children.

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#### 33.2.2 Fiscal Test Group (FTG) (cont.)

Do not include the client's stepchildren in the FTG. Do not count the income or assets of the test children.

#### 33.3.0 Non-Financial Requirements

Clients must:

- Meet general MA non-financial requirements (40.2.0).
- Be at least 18-years-old, **and**
- Be determined disabled, presumptively disabled, or MAPP disabled by the Disability Determination Bureau (DDB) (5.9.0), **and**
- Be working in a paid position or participating in a Health and Employment Counseling (HEC) program (33.3.4).

#### 33.3.1 Disability

DDB must certify disability (5.9.0). There is no requirement that a client be a current or former SSI or SSDI beneficiary to qualify for MAPP. Earned income is not used as evidence in MAPP disability determinations.

If a client does not have a disability determination from SSA, refer the client to the DDB for a disability determination. Send a Medicaid Purchase Plan Transmittal of Medicaid Disability Application form (DWS 13040) to identify a client who has applied for MAPP and needs a disability determination. The rest of the MAPP application may be completed at this time, however, a client cannot be eligible for MAPP until the disability determination has been made. Pend the case in CARES while you are waiting for a MAPP disability determination from DDB.

#### 33.3.2 Work Requirement

To meet the work requirement, a client must engage in a work activity at least once per month, or be enrolled in a Health and Employment Counseling (HEC) program (33.3.4). Consider a client to be working whenever s/he receives something of value as compensation for his/her work activity. This includes wages or in-kind payments. The exceptions are loans, gifts, awards, prizes, and reimbursement for expenses.

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#### 33.3.2.1 *Self-Employment*

If a client engages in a self-employment activity that generates some compensation, at least once in the calendar month, the individual is employed for purposes of MAPP.

A client does not need to realize a profit from self-employment for it to be defined as work.

#### 33.3.2.2 *Contractual Employment*

If an individual is under contractual employment for the entire year, s/he is employed for the purposes of determining MAPP eligibility for the entire year. Do not consider clients employed for any months in which they do not have a contractual employment agreement.

#### 33.3.2.3 *Employment Ending*

A client has until the last day of the next calendar month to become employed again. Do not take action to terminate eligibility until one full calendar month has passed since employment ended.

#### 33.3.2.4 *Temporary Employment*

If a client has signed up with a temporary service agency and is not actually working, s/he is not working for purposes of MAPP. If a client is engaged in work activity for which compensation will be received, at least once in a calendar month, s/he is employed for the purposes of determining MAPP eligibility in that calendar month.

#### 33.3.3 *Work Requirement Exemption*

If there is a serious illness or hospitalization that causes the client to be unable to work, the work requirement can be suspended for up to six months. S/he can continue to be MAPP eligible. The client must contact ESA to request the exemption. Have the client complete the MAPP Work Requirement Exemption form (DWS 13039). This provision is not available unless s/he:

- Has been enrolled in MAPP for six months and has paid any applicable premiums prior to the request of an exemption.
- Is expected to return to work in the next six months.
- Provides an expected date of recovery.

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33.3.3 Work Requirement  
Exemption (cont.)

- Provides the reason that an exemption is needed (i.e., illness or hospitalization).
- Has had no more than two exemptions (maximum of six months each) to the work requirement in a three-year time period.

Based on criteria outlined above, the ESA will approve or deny the request. If a work exemption request is denied, the client has appeal rights in accordance with the MA program. In the sixth month of an exemption, send the recipient notification that this is the last month for the Medical Work Exemption.

33.3.4 Health and Employment  
Counseling Program  
(HEC)

Health and Employment Counseling Program (HEC) is a program certified by the Department of Health and Family Services (DHFS) to arrange services that help a client reach his/her employment goals. HEC participation is limited to twice within a five-year period, and there must be six months between any two HEC participation periods. HEC participation can occur for up to nine months with a three-month extension, for a total of 12 months.

Clients who are not working can meet the MAPP work requirement if participating in a HEC program. If an applicant is not currently working and wants to meet with a HEC screener, pend the case for up to 30 days beyond the application processing period. For an ongoing case, pend the case for up to 30 days after the change is reported or eligibility review is completed. This allows time for the screener to determine if the person qualifies for HEC.

33.3.4.1 *HEC Processing*

Give the client a blank MAPP Employment Plan form, a HEC consumer guide, and the list of HEC screeners in your area. The client needs to complete the Employment Plan and give it to the screener.

The screener and client meet to set employment goals. The screener approves or disapproves the Employment Plan and then sends it to the Department of Health and Family Services (DHFS) MAPP Unit, where a final approval/disapproval decision is made within ten working days. Their address is:

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33.3.4.1 *HEC Processing*  
(cont.)

Center for Delivery Systems Development  
1 S. Pinckney St.  
Suite 340  
Madison, WI 53701

If the plan is not approved, the client has regular appeal rights. The DHFS MAPP Unit sends an approval letter to the client and the screener. The client is responsible for bringing you a copy of the approval letter.

33.3.4.2 *HEC Extension*

If the HEC period is ending prior to the client meeting his/her Employment Plan goals, but the goals can be met within the three months after the regular HEC period will end, the DHFS MAPP Unit can extend the HEC participation for three months.

33.3.4.3 *HEC Participation*  
*Changes*

The HEC counselor/screener monitors the participation of the client as s/he pursues the goals described in his/her MAPP Employment Plan. Whenever a client notifies you that s/he has stopped participating in the HEC program, terminate eligibility with adverse action notice.

Whenever a HEC participant notifies you that s/he is now employed, gather information about the employment and redetermine eligibility.

33.3.5 Health Insurance Pre-  
mium Payment (HIPP)

See 38.7.0 for information about Health Insurance Premium Payment (HIPP) and cooperation requirements.

33.3.6 Spousal  
Impoverishment

There are no spousal impoverishment protections for MAPP. An institutionalized client who was determined ineligible for MA using the MA Institutions tests can qualify for MA through MAPP. However, because we only count the client's assets in determining MAPP eligibility, we do not apply the spousal impoverishment provisions for assets. Similarly, because we do not have a post-eligibility treatment of income and instead calculate a premium using only the client's income, there is no community spouse income allocation or family member maintenance allowance for MAPP.

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33.3.7 Institutionalization	Clients in an institution may qualify for MAPP if they fail institutional MA. If the client's income exceeds 150% of the FPL (30.6.0), s/he is responsible to pay a monthly premium instead of a patient liability or cost share (10.7.0 and 10.7.3).
33.3.8 Community Waivers	MAPP is a full-benefit MA subprogram for community waiver participation (24.2.0). If the client's monthly income exceeds 150% of the FPL (30.6.0), s/he is responsible to pay a monthly premium instead of a cost share.
33.3.8.1 <i>Special Managed Care Programs</i>	MAPP clients are eligible for enrollment into specific Special Managed Care Programs (SMCP).
<b>33.4.0 Financial Requirements</b>	Follow EBD rules in Appendices 11.0.0 and 15.0.0 to determine countable assets and income. The following are MAPP financial eligibility requirements.
33.4.1 Assets	Total countable assets of the client must be \$15,000 or less.
33.4.1.1 <i>Independence Accounts</i>	<p>Someone who has been determined eligible for MAPP can establish an Independence Account. These accounts are an exempt asset. There is no limit to the number of accounts, and no restriction on what the money can be used for. To qualify as an Independence Account, it must be:</p> <ul style="list-style-type: none"><li>• Registered with the ESA.</li><li>• A separate financial account owned solely by the MAPP client.</li><li>• Established after MAPP eligibility is confirmed, with the exception of pension and retirement accounts (33.4.1.2).</li></ul> <p>A client can deposit up to 50% of his/her actual gross earnings over a 12-month period. If the client's deposit exceed 50% of his/her actual gross earnings over a twelve-month period, a penalty is assessed (33.5.1.1).</p>

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**33.4.1.2 Pension or Retirement  
Accounts**

A client who has a pension or retirement account can designate that account as an independence account. The initial balance is a countable asset (11.7.21). Any dividends, interest, and deposits to the account are exempt from the date the Independence Account is approved. Continue to count the initial balance as an asset.

**33.4.1.3 Independence  
Account Exemption  
Status**

If a client with an approved Independence Account loses MAPP eligibility, the exempt portion of the account (on the date eligibility ends) is exempt for future MAPP application(s). The entire balance is a countable asset for all other MA subprograms.

**33.4.2 Income**

The spouse and client's net income must not exceed 250% of the FPL (30.6.0) for appropriate fiscal test group size. To determine this, do the following:

1. Determine family earned income. Count the client and his/her spouse's income if residing together.
2. Deduct the \$65 and ½ of the earned income disregard from the spouse and client's earnings (15.3.6).
3. Deduct the client's IRWEs (15.3.4). The result is the adjusted earned income.
4. Determine unearned income. Count the client and his/her spouse's income if residing together.
5. Add the adjusted earned and unearned income together.
6. Deduct \$20 from the combined income.
7. Deduct special exempt income (15.3.2).
8. If a MAPP client receives Social Security payments, subtract the current COLA disregard between January 1<sup>st</sup> and the date the FPL is effective in CARES for that year.

**Example.** Ed's Social Security payment amounts were \$875 a month for the previous year and \$900 for the current year. Calculate the current COLA disregard by subtracting the Ed's previous Social Security payment amounts from the current payments. Allow \$25 as the

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#### 33.4.2 Income (cont.)

current COLA disregard.
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9. Subtract the historical COLA Disregard Amount (30.7.0) for MAPP clients who are also determined to be a 503 (19.1.0) or Disabled Adult Child (DAC) (19.2.0). Do not allow the historical COLA disregard amount (30.7.0) in the premium calculation for MAPP clients who are also determined to be a 503 (19.1.0) or a DAC (19.2.0).
10. Compare the result to 250% of the FPL (30.6.0). Include the client's minor dependent children (natural or adoptive) when determining fiscal test group size. Do not include the client's stepchildren in the fiscal test group size.

### 33.5.0 Premiums

#### 33.5.1 Calculation

Calculate premiums using only client income. Calculate a premium if gross monthly amount exceeds 150% of FPL (30.6.0) for the appropriate fiscal test group size.

Steps to calculate monthly premium amount:

1. From gross monthly unearned income, subtract the following:
  - Special Exempt Income (15.3.2).
  - Standard Living Allowance (30.5.1).
  - Impairment Related Work Expenses (IRWE) (15.3.4).
  - Medical Remedial Expenses (MRE) (15.3.3).
  - Current COLA Disregard from January 1<sup>st</sup> through the date the FPL is effective in CARES for that year. Do not allow the historical COLA disregard amount (30.7.0) in the premium calculation for MAPP clients who are also determined to be a 503 (19.1.0) or a DAC (19.2.0).

The balance is the **Adjusted Countable Unearned Income**. This number may be a negative number.

2. From gross monthly earned income, subtract any remaining deductions from #1. If the result from #1 is a negative amount, change it to a positive number. The balance is the **Adjusted Earned Income**.



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#### 33.5.1 Calculation (cont.)

3. Multiply the adjusted earned income by three percent (.03).
4. Add the results of #3 and #1 together.
5. Compare the result from #4 to the Premium Schedule (30.13.0) to determine monthly premium amount.

#### 33.5.1.1 Penalty

If the client puts more than 50% of earnings into an Independence Account, penalize the client using the following formula. At review, look back 12 months and take the:

Total Annual Deposits minus 50% of **actual** annual gross earned income divided by 12 = monthly assessment.

Add this monthly assessment to the premium for the next 12 months of eligibility. Only impose Independence Account penalties if the client is otherwise required to pay a premium.

**Example.** Brenda deposited \$1,200 more than 50% of her actual annual gross earned income in her Independence Account. If Brenda's income exceeds 150% of the FPL (30.6.0) and she is responsible for a monthly premium, add the monthly assessment of \$100 to her monthly premium for the next 12 months. If Brenda's income does not exceed 150% of the FPL (30.6.0), do not impose a penalty.

#### 33.5.2 Initial Premium

There are no free premium months. Before eligibility confirmation, the client must pay applicable premiums for the initial benefit month and for any backdate months for which the client elects coverage. If determining eligibility in the month after application, the premium for the second month also must be paid before confirming eligibility.

**Example.** Eric applies for MAPP on January 29<sup>th</sup>, but his application is not processed until February 11<sup>th</sup>. You determine that he owes a \$50 premium per month. Before confirming eligibility, Eric must pay a \$50 premium for January and a \$50 premium for February.

Complete the premium coupon and the Recipient Premium Information Form for benefit months prior to January 2002.

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#### 33.5.2 Initial Premium (cont.)

For benefit months beginning January 2002, CARES will send premium information to MMIS, but the ES continues to be responsible for collecting the premium due for initial month(s) and any backdated months for which the client elects coverage. Complete the premium coupon and record receipt of the premium payment in CARES.

Send MAPP premium payments separate from BC premium payments and other agency funds. Send premium payments to the following address:

Medicaid Purchase Plan  
P.O. Box 6738  
Madison, WI 53716-0738

#### 33.5.3 Payment Information 33.5.3.1 *Payment Methods*

When requested, EDS will provide clients with instructions for choosing the payment method they want. Clients can contact Recipient Services at 1-800-362-3002.

The payment methods are:

- Direct payment by check or money order.
- Electronic Funds Transfer (EFT).
- Wage withholding from each paycheck received. (Unlike Child Support, there is no statutory requirement that the employer participate in premium wage withholding. If the employer decides not to participate, the participant will have to choose direct pay or EFT.)

Provide clients with the MAPP Premium Recipient/Employer Electronic Funds Transfer (HCF 13023) and MAPP Premium Employer Wage Withholding (HCF 13024) forms to allow the client to choose a payment method other than direct payment. Since it takes some time to set up EFT and wage withholding, the client pays directly until EDS informs them otherwise.

#### 33.5.3.2 *Advance Payments*

Clients can make advance payments, but the payment cannot exceed the certification period. If paying in advance, the payments must be the full amount of subsequent month's premiums (no partial month payments). If the income amount changes, recalculate the premium. The client will be

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#### 33.5.3.2 *Advance Payments* (cont.)

notified through CARES that their premium amount has changed. If the premium amount has decreased, EDS will refund any excess premium that was paid. If the premium amount has increased and the premium coupon has not been sent for that month, the client will receive a coupon with the new premium amount. If the premium coupons have already been sent, the client will need to pay the additional amount owed. The client will not receive a coupon for the difference that is owed.

#### 33.5.3.3 *Refunds*

EDS issues refunds if the client:

1. Lost MAPP eligibility and already paid the premium. Refunds will only be given if adverse action notice requirements were met.
2. Overpaid. The client overpaid and the excess cannot be applied to the next month's premium.
3. Retro Adjustment. The premium was recalculated and reduced for prior month(s).
4. Requested to close MAPP and already paid the premium.

The client's estate can receive a refund if s/he dies between adverse action and the beginning of the benefit month.

#### 33.5.4 *Ongoing Cases*

Ongoing premium payments are sent to the MAPP Premium Unit. Checks are made out to 'Medicaid Purchase Plan.' MAPP premiums are due on the tenth of the benefit month, no matter which payment method is chosen. For clients who have chosen 'direct pay' as their payment method, EDS sends out the premium coupon on the 20<sup>th</sup> of the month before the benefit month. The payment must be received at EDS by the tenth of the benefit month. EFT occurs on the third business day of the benefit month.

#### 33.5.5 *Late Payments*

Cases are treated differently depending on when the late payment is received. The following explains the policy based on those time differences. Clients must pay the payment that closed them, but do not have to pay the following month right away to open, unless the late pay is made after the benefit month.

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#### 33.5.5 Late Payments (cont.)

**Example.** If the client owed a premium for September, and does not pay it until October, then s/he will need to pay both September and October. October eligibility will pend until the payment is received by the agency and recorded in CARES.

#### **Between Due Date and Adverse Action of the Benefit Month**

The case will stay open for the benefit month even if no payment is received by the due date. It will close at the end of the benefit month if no payment is received by adverse action (AA) in the benefit month.

#### **Between Adverse Action of the Benefit Month and the Last Day of Benefit Month**

If the client pays between AA of the benefit month and the last day of the benefit month, s/he can reopen. Run SFED with dates and confirm.

**Example.** Adverse action is September 16<sup>th</sup>. Jim's September premium was due September 10<sup>th</sup>. Jim has not paid his September premium by September 16<sup>th</sup>. He does pay on September 26<sup>th</sup>. The case closed effective September 30<sup>th</sup>. Run with dates to open for October. Then run without dates for November eligibility.

#### **Anytime in Month After the Benefit Month**

If the client pays any time in the month after the benefit month, s/he can reopen. S/he must pay the premium that closed them. If they owe a premium for that following month, s/he must pay that premium before CARES will open MAPP. The client must pay you directly (not EDS). You can check with EDS to see if a premium has already been collected for that month.

When you get the payment(s), record the payment in CARES and run SFED for the benefit month and confirm. Then run SFED for the following month, and confirm.

**Example.** Adverse action is September 16<sup>th</sup>. Jim has not paid his September premium by September 16<sup>th</sup>. He pays on October 26<sup>th</sup>. His case closed for October. Jim must pay both the premiums for September and October since they were in arrears before he will open. To reopen it, run SFED for October and confirm. Finally, run SFED for November and confirm. (The November premium is not due until November 10<sup>th</sup> and does not have to be paid in advance.)

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#### 33.5.5 Late Payments (cont.)

##### **Two Months After the Benefit Month**

If the client pays in the second month after the benefit month, it is a non-payment (33.5.6).

#### 33.5.6 Non-Payment

If a MAPP client does not pay the monthly premium by adverse action in the benefit month, apply a restrictive re-enrollment period (RRP) (33.6.0), unless there is good cause (33.6.1). The RRP begins with the first month of closure. If a late payment is received by the end of the month after the benefit month, lift the RRP.

##### *33.5.6.1 Insufficient Funds*

You will be notified with an 056 “Run SFED/SFEX” alert in CARES if a MAPP client pays the monthly premium through EFT or direct payment by check, and the payment is rejected for insufficient funds. Apply a restrictive re-enrollment period (RRP), unless there is good cause (anything which is beyond the client’s control), and close the case. The RRP begins with the first month after closure. Determine if an overpayment exists and process the overpayment.

#### 33.5.7 Opting Out

If a MAPP client chooses to de-request MAPP coverage prior to the beginning of the next benefit month, close the case in CARES for the next possible month. If the case cannot be closed in CARES at the end of the current benefit month, do not impose a RRP. Close the case in CARES. Submit a 3070 by mail, e-mail or fax.

- Mail: EDS  
P.O. Box 7636  
Madison, WI 53707
- E-mail: [eds\\_3070@dhfs.state.wi.us](mailto:eds_3070@dhfs.state.wi.us)
- Fax: (608) 221-8815

Enter “MAPP OPT OUT” in red in the comments section of the 3070.

**Example.** Sally calls her worker on July 25<sup>th</sup> to de-request MAPP. She paid the July premium but does not intend to pay the August premium. Her worker takes action to close the case in CARES, effective August 31<sup>st</sup>. A RRP should not be imposed because Sally de-requested August MAPP

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#### 33.5.7 Opting Out (cont.)

coverage prior to the beginning of the benefit month.

Her worker must override the RRP on AGRR by entering an override RRP end date using the reason code "SY", system problem. Change the request for MAPP on ANMR to "N", and suppress the CARES notice stating that the client's MAPP eligibility will end August 31<sup>st</sup>. Send a manual negative notice indicating that the client's MAPP eligibility ends July 31<sup>st</sup>.

#### **33.6.0 Restrictive Re-enrollment Period (RRP)**

When a client is placed in a restrictive reenrollment period (RRP), s/he is ineligible for the next six consecutive months following the closure of MAPP, unless there is good cause (33.6.1). After the six consecutive months, the client may regain eligibility if s/he pays all arrears and current premiums. After 12 calendar months, s/he may regain eligibility without paying the past due premiums.

#### 33.6.1 Good cause

The following are good cause reasons for not paying a MAPP premium:

- Problems with electronic funds transfer.
- Problems with an employer's wage withholding.
- Administrative error in processing the premium.
- Fair hearing decision.
- Those you determine are beyond the client's control.

#### **33.7.0 Changes**

The client must report within ten days all changes to income, household composition and allowable deductions. The ES worker should redetermine eligibility as a result of the changes. If it is determined that s/he remains eligible for MAPP and owes a premium, recalculate the premium amount.

#### **33.8.0 Prepaid Deductibles**

If the client prepaid a deductible and then becomes eligible for MAPP without a premium, s/he can only get a refund of the prepayment if the deductible period has not started. Use the Community Aids Reporting System (CARS) to report the accounting.

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#### 33.9.0 Notices

CARES will send notices regarding eligibility and premiums for benefit months from January 2002 forward. Continue to send manual positive and negative notices to clients regarding eligibility and premiums for benefit months prior to January 2002.

1. Use the DES 2052, Positive Notice, when MAPP is approved or the premium decreases.
2. Use the DES 2051, Negative Notice, when eligibility is denied or terminated or the premium increases.

**Note:** The client must be given adverse action notice of any negative action (e.g. premium increase).

Use the following notice text that is applicable to the denial reason. Use §49.472 WIS STATS as the citation for each of the reasons.

You are not eligible for the MAPP because:

- Your assets exceed the \$15,000 asset limit.
- Your income exceeds 250% of the FPL (30.6.0) for your family size.
- You have not paid your MAPP premium.
- You have been determined 'not' disabled under MAPP rules by the Disability Determination Bureau.
- You are not working.
- You no longer meet the work or HEC participation requirement of MAPP.